

BEFORE THE NEVADA GAMING COMMISSION
AND THE STATE GAMING CONTROL BOARD

In the Matter of

THE SANDS REGENT

(Registration)

FOURTH REVISED ORDER OF REGISTRATION

THIS MATTER came on regularly for hearing before the State Gaming Control Board (“Board”) on April 5, 2000, and before the Nevada Gaming Commission (“Commission”) on April 27, 2000, at Carson City, Nevada; and

THE BOARD AND COMMISSION having considered all information pertinent hereto;
IT IS HEREBY ORDERED BY THE NEVADA GAMING COMMISSION UPON THE
RECOMMENDATION OF THE STATE GAMING CONTROL BOARD:

1. THAT the following applications of the Sands Regent, as amended and supplemented, have been filed:
 - a. For approval to pledge the equity securities of Zante, Inc. to Foothill Capital Corporation in conjunction with a certain loan agreement;
 - b. For approval to place restrictions upon the transfer of, and enter into an agreement not to encumber the equity securities of Zante, Inc.; and
 - c. For amendment to its Third Revised Order of Registration.
2. THAT the Third Revised Order of Registration of The Sands Regent entered on June 19, 1996, is hereby amended and restated, in its entirety, by this Fourth Revised Order of Registration.

3. THAT The Sands Regent is registered as a publicly traded corporation and found suitable as the sole shareholder of Zante, Inc.

4. THAT Zante Inc., dba The Sands Regency and Mr. C's is licensed as a distributor and to conduct nonrestricted gaming operations at 345 North Arlington Avenue, Reno, subject to such conditions and limitations as may be imposed by the Commission.

5. THAT Zante, Inc., dba Pericles Distributing, is licensed as an operator of a slot machine route, subject to such conditions or limitations as may be imposed by the Commission.

6. THAT Pete Cladianos, Jr., Pete Cladianos III, John Cladianos, The Trust of Antonio Cladianos II, Katherene Johnson Latham, and Deborah Johnson Lundgren are each found suitable as shareholders of The Sands Regent.

7. THAT, The Sands Regent is granted approval, pursuant to NRS 465.510(1) and NGC Regulation 8.030, to pledge the common stock of Zante, Inc. to Foothill Capital Corporation ("Foothill"), Secured Party, in connection with the \$10,000,000 Loan and Security Agreement dated December 3, 1999 ("Credit Agreement") provided that:

a. This approval is pursuant to the fully executed Stock Pledge Agreement dated December 3, 1999 ("Pledge Agreement");

b. The prior approval of the Commission must be obtained before any foreclosure or transfer of the possessory security interest in such common stock (except back to The Sands Regent) and before any other resort to such common stock collateral or other enforcement of the security interest in such common stock, may occur; and;

c. Pursuant to NGC Regulations 15.510.1-3 and 8.030(4)(a), the common stock certificates of Zante, Inc. evidencing said pledge of the common stock must at all times remain physically within the State of Nevada at a location designated to the Board and must be made available for inspection by agents or employees of the Board immediately upon request during normal business hours.

8. THAT in connection with the Credit Agreement The Sands Regent, is granted approval pursuant to NGC Regulation 15.510.1-4 to place restrictions upon the transfer of, and to enter into agreements not to encumber, the equity securities of Zante, Inc.

9. THAT The Sands Regent within ninety (90) days of this Fourth Revised Order of Registration shall establish and maintain a compliance system for the purpose of, at a minimum, performing due diligence, determining the suitability of relationships with other entities and individuals, and to review and ensure compliance by The Sands Regent, its subsidiaries and any affiliated entities, with the Nevada Gaming Control Act (the "Act"), as amended, the Commission's Regulations, as amended (the "Regulations"), and the laws and regulations of any other jurisdictions in which The Sands Regent, its subsidiaries and any affiliated entities operate. The compliance system, any amendments thereto, and the members, one such member which shall be independent and knowledgeable in gaming regulations, shall be administratively reviewed and approved by the Chairman of the Board, or his designee. The Sands Regent, shall amend the compliance system, or any element thereof, and perform such duties as may be assigned by the Chairman of the Board, or his designee related to a review of activities relevant to the continuing qualification of The Sands Regent and its subsidiaries under the provisions of the Act and Regulations.

10. THAT The Sands Regent shall fund and maintain with the Board a revolving fund in the amount of \$10,000 for the purpose of funding investigative reviews by the Board for compliance with the terms and provisions of this Fourth Revised Order of Registration. Without limiting the foregoing, the Board shall have the right, without notice, to draw upon the funds of said account for the payment of costs and expenses incurred by the Board and its staff in the surveillance, monitoring and investigative review of all activities, including public offerings, of The Sands Regent and Zante, Inc., and their affiliated companies.

11. THAT pursuant to NRS 463.625, The Sands Regent is hereby exempted from compliance with NRS 463.585(1), (2), (6), and (7), and NRS 463.595 through NRS 463.615, inclusive, and shall instead comply with NRS 463.635 through 463.645, inclusive.

12. THAT The Sands Regent is hereby exempt from NGC Regulation 15, except for the provisions of NGC Regulations 15.585.3-1, 15.585.3-2 and 15.585.4-1, and shall instead comply with NGC Regulation 16.

13. THAT the Commission expressly finds that the exemptions hereinabove granted are consistent with the State policy set forth in NRS 463.0129 and NRS 463.489.

ENTERED at Carson City Nevada, this 27th day of April 2000.